

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,

Plaintiff,

vs.

JAMES PHILLIP DURHAM,

Defendant.

Criminal No. 09-40012-GPM

Title 42, United States Code,
Section 1320a-7b(a)(1)(ii)

FILED

MAR 30 2009

CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF ILLINOIS
BENTON OFFICE

INFORMATION

THE UNITED STATES ATTORNEY, UNDER OATH, CHARGES:

At all times relevant to the Information:

A. INTRODUCTION

1. **JAMES PHILLIP DURHAM**, defendant, is a licensed physician in the State of Illinois, who has owned and operated as many as four (4) clinics in southern Illinois. One of those clinics was the Franklin Rural Health Care Clinic II (FRHC II) located in Christopher, Illinois.

2. FRHC II was part of a corporation called Health Plan of Southern Illinois, Inc., owned and operated solely by **DURHAM** under the laws of the State of Illinois since July 21, 1986. **DURHAM** has been listed as the sole shareholder, President, Secretary, Treasurer and Director of Health Plan of Southern Illinois, Inc., on filings with the Illinois Secretary of State.

B. SCHEME

3. **DURHAM** instructed FRHC II employees to use optometric equipment at FRHC II to perform eye examinations and provision of corrective lenses (eye glasses). In the Rural Health Encounter situation, these are non-covered services.

4. **DURHAM** had the ultimate oversight role in the FRHC II and did knowingly permit an employee to conduct rural health encounters consisting of administering the eye exam, recording the measurements, generating a corrective lense prescription, and ordering and fitting the eye glasses. Under Medicaid's rules and regulations, and specifically since March 1, 2000, a service provided by such an employee does NOT qualify for encounter reimbursement.

5. **DURHAM** instructed FRHC II employees to record at least three (3) rural health clinic encounter visits for the eye examination and eye glass pick-up. FRHC II employees billed Medicare and Medicaid for multiple rural health clinic encounter visits, even though the visits were for a non-covered service (optometric care) or improperly billed. Some of these services were provided by an employee who was not a qualified provider of rural health clinic encounters.

COUNT 1

All of the above paragraphs one through five are incorporated and re-alleged as part of Count 1.

On or about November 2003, through on or about November 2004, in Franklin County, within the Southern District of Illinois, and elsewhere,

JAMES PHILLIP DURHAM,


defendant, did knowingly and willfully make or caused to be made false statements and representations of material facts for benefits and payments under a Federal health care program; in violation to Title 42, United States Code, Section 1320a-7b(a)(1)(ii) (misdemeanor).

Dated: 3-27, 2009.

UNITED STATES OF AMERICA



RANDY G. MASSEY
Acting United States Attorney



WILLIAM E. COONAN
Assistant United States Attorney

Recommended Bond: \$10,000 unsecured